



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

MAR 5 1993

Mr. Roy Williams
Vice President, Overseas Operations
International Rescue Committee, Inc.
386 Park Avenue South
New York, New York 10016

Subject: Grant No. AOT-3003-G-00-3041-00

Dear Mr. Williams:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to the International Rescue Committee (hereinafter referred to as "IRC" or "Grantee") the sum of Two Million Seven Hundred Thirty-nine Thousand Four Hundred Eighty-seven Dollars (\$2,739,487.00) to meet the winterization needs of displaced persons in the former Yugoslavia. The program shall be as more fully described in Attachment No. 1 of the Grant entitled "Schedule" and the Grantee's application entitled "Proposal for Assistance in Portions of the Former Yugoslavia, dated November 3, 1992", incorporated herein by reference.

This Grant is effective and obligation is made as of the date of this cover letter and shall apply to commitments and expenditures made and/or incurred by the Grantee in furtherance of the project objectives during the period November 20, 1992 through March 31, 1993.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment No. 1, The Schedule; Attachment No. 2, Standard Provisions; Attachment No. 3, Additional Standard Provisions; and the Grantee's proposal/application entitled "Proposal for Assistance in Portions of the Former Yugoslavia", which have been agreed to by your organization.

The total estimated amount of AID support is \$2,739,487.00, which is hereby obligated. AID shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

GRANT NO. AOT-3003-G-00-3041-00

Please acknowledge receipt of this Grant by signing all copies of this cover letter, retaining one set for your files, and returning the remaining copies to Ms. Amanda Downing, Agency for International Development, OFDA/OS, Room 1262A NS, Washington, DC 20523-0008.

Sincerely,



STEPHEN A. DEAN
Grant Officer
A Division, AOT Branch
Office of Procurement

Attachments:

1. The Schedule
2. Standard Provisions
3. Additional Standard Provisions

ACKNOWLEDGED:

INTERNATIONAL RESCUE COMMITTEE

BY 

TYPED NAME Howard Roy Williams

TITLE Vice President for Overseas Programs

DATE March 9, 1993

FISCAL DATA

PIO/T No.	:968-3003-93-37-3684957
Appropriation No.	:72-1131021.1
Budget Plan Code	:EDVA-93-16830-IG41
Total Estimated Cost	:\$2,739,487.00
Total Obligated Amount	:\$2,739,487.00
Project Officer	:Chris Keppler, OFDA/DRD
CEC	:07885494025
TIN	:13-5660-870

SCHEDULE

A. BACKGROUND

The on going civil war in the former Yugoslav republics has displaced approximately 2.5 million persons since 1991. With the onset of the severe Balkan winter there are prospects for in excess of 147,000 deaths due to exposure and respiratory diseases. The International Rescue Committee (IRC) has been funded by OFDA since January 1992 for monitoring/reporting and advising UNHCR relief operations. Concurrently IRC is running a stove and plastic sheeting manufacturing program and local purchase program in support of winter shelter needs.

Given the limited time between now and the onset of winter, IRC proposes that priority be given to re-establishing the capacity of local resources to produce essential winterization material. The focus of this proposal is on the production and distribution to the target groups within a three month period.

During the review process State Department's Bureau of Refugee Programs agreed to provide approximately one half of the funding for the IRC grant. This has amounted to funding of \$5.1 million. Upon further review with IRC a proposed budget totaling \$5.5 million was submitted.

B. PURPOSE OF GRANT

1. OBJECTIVE

To assist an at risk population primarily in the Central Bosnia region of the former Yugoslavia in meeting the needs created by the approaching winter. Target populations and/or distribution points are located in the following communities: Zenica, Travnik, Tuslu, Sarajevo, Mostar, Jablanica, Zepce, Duboi, Brcko, Visoko. Olovo, Vitez, to name the larger areas. It is intended that the Grantee should have sufficient flexibility to respond to emergency situations as they arise. Emergency actions and response will be coordinated with OFDA/Washington and/or OFDAs Disaster Assistance Response Team (DART) at the U.S. Embassy/Zagreb.

2. SCOPE OF WORK

All relief will be distributed evenhandedly, going to the most needy, regardless of ethnic or religious persuasion. In order to accomplish the goals and objectives of this Grant, the Grantee shall:

SCHEDULE

* Coordinate closely with the OFDA DART at the U.S. Embassy in Zagreb and/or it's field representatives.

* Additional Staff: In order to expand current operations and coverage, additional staff and equipment is required. A four member assessment team and eight supporting local staff are required to coordinate, monitor and report relief operations in Tusla, Visoko-Olovo-Bresa, Jablanica and Mostar.

* Winterization

* Shelter: locally procure and distribute shelter materials for roofing and windows (plastic sheeting, asphalt sheeting, corrugated metal sheeting, roofing tacks, concrete nails) for approximately 10,400 homes. Potential beneficiaries - 62,400.

* Heating Implements: using local suppliers and manufacturers, produce and distribute 20,000 coal/kerosene stoves/heaters. Potential beneficiaries - 120,000.

* Fuel: distribution to isolated communities will pose a significant problem this winter. IRC plans to provide fuel for local assets to distribute shelter materials and stoves. Additionally coal and kerosene will be provided to targeted populations for both heating and cooking.

* Public Health Logistic Support

IRC has identified virtually no public health/sanitation assistance is available in its program area. The personnel for this program are funded under the Refugee Program budget, however, the necessary logistic support for these personnel will be funded by OFDA. Major items include: codan radios, satcom telephone, fax/telephone system, office furniture, fuel bladders and tankers and vehicles.

* Supplemental Food Production

IRC will expand the expansion of the work force at a food production and packaging plant to produce vitamin enriched food products. Production will be sufficient to feed 100,000 people, at three days/week, for twelve weeks.

SCHEDULE* Bailey Bridge Support

During discussions with OFDA, IRC agreed to provide the local purchase support for OFDA funded bridge experts. Given IRC's extensive involvement in the local economy, its contacts would promote efficiency through non duplication of efforts and allow the bridge experts to focus on bridging and not on support issues.

C. PERIOD OF GRANT

1. The effective date of this Grant is the date on the Grant Cover Letter and the Completion date is March 31, 1993.

2. Funds obligated hereunder are available for expenditures for the period November 20, 1992 through March 31, 1993.

D. AMOUNT OF GRANT AND PAYMENT

1. The total amount of this Grant for the period shown in Section C.1. above, is \$2,739,487.00.

2. A.I.D. hereby obligates the amount of \$2,739,487.00 for project expenditures during the period set forth in Section C.2. above, and as shown in the Grant Budget in Section E.

3. Payment will be made to the Grantee in accordance with procedures set forth in Attachment No. 3 - Additional Standard Provision No. 1 entitled "Letter of Credit".

a. The Grantee shall submit the required documentation to the following address:

Agency for International Development
Office of Financial Management (FA/FM/CMP/CGLC)
Room 703, SA-2
Washington, DC 20523-0209

b. In addition, one copy of all financial reports shall be submitted to the A.I.D. Project Officer, Chris Keppler or his designee, at the following address:

Chris Keppler
FHA/OFDA/DRD
Room 1262A, NS
Washington, DC 20523-0008

SCHEDULE

E. GRANT BUDGET

The following is the budget for this Grant. The Grantee may not exceed the total obligated amount. The Grantee may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of project objectives, consistent with restrictions cited in Attachment 2 - Standard Provision No. 4 of this Grant entitled "Revision of Grant Budget".

BUDGET

<u>LINE ITEMS</u>	<u>COSTS (\$)</u>
Personnel:	
4 members (assessment team) @ \$1,200/mo. ea.	\$ 14,400
Benefits 26% of \$14,400	\$ 3,744
Local Staff (8)	\$ 11,000
Vehicles:	
4 Vehicles @ \$30,000/ea.	\$ 120,000
Vehicle Maintenance/insurance	\$ 12,000
Fuel	\$ 24,000
Furniture/Supplies	\$ 12,000
Transportation:	
4 RT US/Zagreb @ \$2,500	\$ 10,000
16 RT Zagreb/Split @ \$200	\$ 3,200
Trucking and local transportation	\$ 56,000
Warehousing and logistical support	\$ 36,000
SUBTOTAL STAFF	\$ 302,344

SCHEDULEBUDGET (Cont'd)**WINTERIZATION**

Shelter (Approx. 20 MT plastic sheeting 10,400kg sheeting nails, 31,200 rolls asphalt roofing, 20,800 kg asphalt nails)	\$ 917,910
Heating Implements (steel, shipping, local manufacture of approx. 20,000 stoves)	\$ 400,773
Fuel (diesel and/or coal)	\$ 350,000
SUBTOTAL WINTERIZATION	\$1,668,683

PUBLIC HEALTH LOGISTICAL SUPPORT

Furniture and Supplies	\$ 5,000
Communications:	
5 Codan Radios	\$ 25,000
Fax/Telephone	\$ 3,000
2 Fuel Bladders (500 gal.)	\$ 5,000
2 Fuel Bladder Tankers (10,000 gal.)	\$ 50,000
5 4x4 passenger vehicles @ \$30,000/ea.	\$ 150,000
Vehicle maintenance and parts	\$ 15,000
SUBTOTAL PUBLIC HEALTH	\$ 253,000

SUPPLEMENTAL FOOD PRODUCTION

Supply 100,000 persons with vitamin enriched food products @ 10.00/day on a 3 day/week basis for 12 weeks	\$ 150,000
Trucking costs	\$ 128,000
SUBTOTAL FOOD	\$ 278,000

TOTAL DIRECT COSTS	\$2,502,027
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Indirect Cost (5.43% of \$2,502,027)	\$ 135,860
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TOTAL IRC COST	\$2,637,887
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SCHEDULE

BUDGET CONT'D)

BAILEY BRIDGE SUPPORT

Local purchase	\$	93,000
Codan radio	\$	5,000
Car rental/driver (6 weeks)	\$	3,600
SUBTOTAL BRIDGE SUPPORT		\$ 101,600
TOTAL		\$ 2,739,487

F. REPORTING

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the Additional Standard Provisions No. 1 of this Grant entitled "Payment - Letter of Credit", as shown in Attachment No. 3.

b. The original and two copies of all financial reports (Financial Status Report- Form 269) shall be submitted to the Office of Financial Management, whose address is listed in Section D.3.a. of this Schedule.

c. In addition, two copies of all financial reports shall be submitted to OFDA, Rm 1262A NS, Washington, DC 20523-0008, one copy for the Project Officer, Chris Keppler, and one copy for the Operations Support Division, Amanda Downing.

d. Each financial report shall include:

PIO/T No.	:968-3003-93-37-3684957
Project No.	:3003
Project Name	: W i n t e r i z a t i o n (Bosnia/Croatia)
Grant No.	:AOT-3003-G-00-3041-00
Project Officer	:Chris Keppler

SCHEDULE2. Program Evaluation Reporting

The Grantee shall submit a bi-monthly report and a final report. The reports should be submitted to the Project Officer at OFDA, Washington, DC. The reports should document progress vis-a-vis program objectives, problems encountered, corrective procedures followed, significant program developments during the reporting period and projected accomplishments for the coming period. Analysis and cost also should be included. Two copies of each program evaluation report should be submitted to OFDA. The final report should be submitted no later than thirty (30) days after the completion of the project. The bi-monthly reports should also be sent to the OFDA Disaster Assistance Response Team at the American Embassy in Zagreb.

G. INDIRECT COST RATE

Pursuant to the Additional Standard Provisions of this Grant entitled "Negotiated Indirect Cost Rates - Provisional", a rate or rates shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of revised provisional or final indirect cost rates for each of the Grantee's accounting period which apply to this Grant, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base, which is set forth below.

<u>TYPE</u>	<u>RATE</u>	<u>BASE</u>	<u>PERIOD</u>
Provisional	5.43%	TDC*	1-1-91 until amended

*Total Direct Program Expenses less direct pass-through funds and other excludable or unallowable costs as specified in the Committee's Indirect Cost Rate Proposal dated May 8, 1992.

Should final rates result in upward adjustments, payment of such upward adjustments would only be allowable within the total obligated amount of the Grant.

SCHEDULE**H. SPECIAL PROVISIONS**

1. Due to the emergency nature of the program and the need to respond quickly to changing circumstances, and pursuant to Section 491 of the FAA, as amended, the geographic code for procurement of goods and services is authorized as "935" (Special Free World), including the Host Country.

2. Delivery of Notices. For purposes of "Notices" delivered to the A.I.D. Grant Officer, pursuant to the Standard Provision 13 of this Grant entitled "Notices", the following address shall be used:

a. Regular U.S. Mail

Grant Officer
Agency for International Development
Office of Procurement
Division A - AOT Branch
Washington, DC 20523-1425

b. Express Mail or Hand Delivery

Grant Officer
Agency for International Development
Office of Procurement
Division A - AOT Branch
15th Floor Receptionist
1100 Wilson Blvd.
Arlington, VA 22209

3. Zip Codes. Use the following nine-digit zip codes instead of the five digit codes shown in the Standard Provisions and Additional Standard Provisions.

<u>Standard Provision</u>	<u>Zip Code</u>
Disputes Clause	20523-0051
Payment - Letter of Credit	20523-0209
Procurement of Goods and Services	20523-1414

SCHEDULE

4. Title to Property

Property provided herein shall be handled pursuant to Additional Standard Provision No. 20 entitled "Title to and Use of Property (Grantee Title) in Attachment 3 of this Grant.

Notwithstanding the requirements of Additional Standard Provision No. 20, the Grantee will provide the Grant Officer a complete inventory of application property on a quarterly basis and request disposition instructions from the Grant Office for all property at the completion of the Grant.

(END OF SCHEDULE)

MANDATORY STANDARD PROVISIONS FOR U.S., NONGOVERNMENTAL GRANTEEES ^{1/}

INDEX OF MANDATORY STANDARD PROVISIONS

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| 1. Allowable Costs | 8. Debarment, Suspension, and Other Responsibility Matter |
| 2. Accounting, Audit, and Records | 9. Nondiscrimination |
| 3. Refunds | 10. U.S. Officials Not to Benefit |
| 4. Revision of Grant Budget | 11. Nonliability |
| 5. Termination and Suspension | 12. Amendment |
| 6. Disputes | 13. Notices |
| 7. Ineligible Countries | 14. Restrictions on Lobbying |

1. ALLOWABLE COSTS (NOVEMBER 1985)

The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant, any negotiated advance understanding on particular cost items, and the applicable* cost principles in effect on the date of this grant.

* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

2. ACCOUNTING, AUDIT, AND RECORDS (SEPTEMBER 1990)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

(1) Accurate, current, and complete disclosure for each A.I.D.-sponsored project or program in accordance with the reporting requirements of this grant. While A.I.D. requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

(2) Records that identify adequately the source and application of funds for A.I.D.-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

(3) Effective control over and accountability for all funds, property, and other assets. Grantee shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

(4) Comparison of actual outlays with budget amounts for each grant. Financial information should be related to performance and unit-cost data whenever appropriate.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government.

^{1/} When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "A.I.D. Grant Officer" means "A.I.D. Agreement Officer."

4. REVISION OF GRANT BUDGET (NOVEMBER 1985)

(a) The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

(b) The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for the following reasons:

(1) Changes in the scope or the objectives of the program and/or revisions in the funding allocated among program objectives.

(2) The need for additional funding.

(3) The grantee expects the amount of A.I.D. authorized funds to exceed its needs by more than \$5,000 or five percent of the A.I.D. award, whichever is greater.

(4) The grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.

(5) The grantee intends to contract or subgrant any of the substantive programmatic work under this grant, and such contracts or subgrants were not included in the approved grant budget.

(6) The grantee plans to incur an expenditure which would require advance approval in accordance with the applicable Federal cost principles and was not included in the approved grant budget.

(7) The grantee plans to transfer funds allotted for training allowances to other categories of expense.

(c) When requesting approval for budget revisions, the grantee shall use the budget formats that were used in the application unless a letter request will suffice.

(d) Within 30 calendar days from the date of the receipt of the request for budget revisions, the grant officer shall review the request and notify the grantee whether the budget revisions have been approved. If the revisions are still under consideration at the end of 30 calendar days, the grant officer shall inform the grantee in writing of the date when the grantee may expect the decision. The grant officer shall obtain the project officer's clearance on all such requests prior to communication with the grantee.

(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant pursuant to the standard provision of this grant, entitled "Termination and Suspension."

(f) Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination and Suspension" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified in such notice the new obligated grant total amount.

(d) A decision under this provision by the Deputy Assistant to the Administrator for Management Services shall be final.

7. INELIGIBLE COUNTRIES (MAY 1986)

Unless otherwise approved by the AID grant officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)

(a) The grantee certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by *any Federal department or agency*;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(b) The grantee agrees that, unless otherwise authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs." The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)

The recipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(c) The policies and procedures applicable to debarment, suspension, and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

9. NONDISCRIMINATION (MAY 1986)

(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)

No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;
- (2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;
- (3) A special Government employee as defined in section 202, title 18, U.S. Code; and
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation" means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient" includes all contractors and subcontractors at any tier in connection with a Federal contract. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or inter-state entity having governmental duties and powers.

(b) Prohibitions.

(1) Section 1352 of title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Best Available Copy

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal action include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Only those services expressly authorized by paragraph (ii) of this section are allowable under paragraph (ii).

(iii) Reporting for Own Employees.

No reporting is requirements with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that covered Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that covered Federal action.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action.

(5) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (1) of this section. That person shall forward all disclosure forms to the agency.

(d) Agreement. In accepting any covered Federal action resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(2) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(3) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would otherwise be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provision of Part 31 of the Federal Acquisition Regulation.

(END OF MANDATORY STANDARD PROVISIONS)

ADDITIONAL STANDARD PROVISIONS FOR
U.S. NON-GOVERNMENTAL GRANTEES

The following Additional Standard Provisions apply to this Grant:

- | | | |
|-----|---|---|
| 1. | Payment - Letter of Credit | ✓ |
| 2. | Payment - Periodic Advance | |
| 3. | Payment - Cost Reimbursement | |
| 4. | Air Travel and Transportation | ✓ |
| 5. | Ocean Shipment of Goods | ✓ |
| 6. | Procurement of Goods and Services | ✓ |
| 7. | AID Eligibility Rules for Good and Services | ✓ |
| 8. | Subagreements | |
| 9. | Local Cost Financing | ✓ |
| 10. | Patent Rights | |
| 11. | Publications | |
| 12. | Negotiated Indirect Cost Rates - Predetermined | |
| 13. | Negotiated Indirect Cost Rates - Provisional | ✓ |
| 14. | Regulations Governing Employees | ✓ |
| 15. | Participant Training | |
| 16. | Voluntary Population Planning | |
| 17. | Protection of the Individual as a Research Subject | |
| 18. | Care of Laboratory Animals | |
| 19. | Governmental Furnished Excess Personal Property | |
| 20. | Title to and Use of Property (Grantee Title) | ✓ |
| 21. | Title to and Care of Property (U.S. Govt Title) | |
| 22. | Title to and Care of Property (Cooperating Country) | |
| 23. | Cost Sharing | |
| 24. | Use of Pouch Facilities | ✓ |
| 25. | Conversion of U.S. Dollars to Local Currency | ✓ |